

Interim report January – March 2014

Strong growth and improved profitability

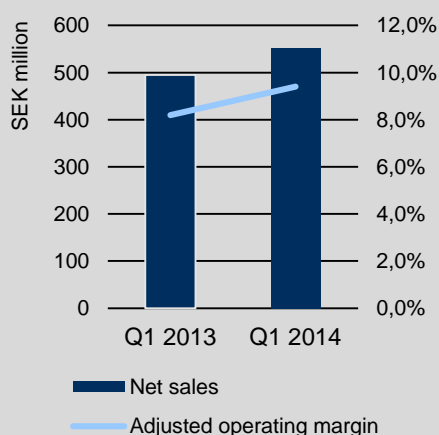
- The Group's net sales amounted to SEK 552 (495) million, up 11.5 percent compared with the same period previous year. The increase was primarily attributable to stronger economic conditions compared with a weak first quarter of 2013, but also to the strategic initiatives that have resulted in higher market shares.
- The order intake exceeded net sales.
- Adjusted operating profit amounted to SEK 52 million (41). As anticipated non-recurring costs of SEK 18 million (0) pertaining to the stock listing have been charged against operating profit, which amounted to SEK 33 million (41).
- The adjusted operating margin rose to 9.4 percent (8.2).
- The Bufab share was listed on NASDAQ OMX Stockholm on 21 February.

GROUP IN BRIEF

SEK million	Quarter 1		Change	Rolling 12 months	Full year	Change
	2014	2013	%	2013/14	2013	%
Order intake	563	520	8.3	2,115	2,072	2.1
Net sales	552	495	11.5	2,088	2,031	2.8
Gross profit	162	142	14.4	616	596	3.4
Gross margin, %	29.5	28.7		29.5	29.3	
Operating profit	33	41	-18.0	193	201	-4.0
Operating margin, %	6.0	8.2		9.2	9.9	
Adjusted operating profit	52	41	27.3	214	203	5.4
Adjusted operating margin, %	9.4	8.2		10.2	10.0	
Profit after tax	17	23	-24.8	125	131	-4.6

For definitions, see page 16.

THE QUARTER IN BRIEF



NET SALES
SEK 552 m

SALES GROWTH
+11.5%

OPERATING PROFIT
SEK 33 m

ADJUSTED OPERATING PROFIT
SEK 52 m

OPERATING MARGIN
6.0%

ADJUSTED OPERATING MARGIN
9.4%

CEO'S OVERVIEW

Our strategy of focusing on profitable growth and efficiency continues to generate results.

During the period, Bufab experienced higher demand compared with a weak first quarter in 2013, but also compared with the preceding quarter. Overall, net sales increased 11.5 percent. Both our Swedish and international companies contributed to the sales increase, which was primarily due to stronger economic conditions. However, we also noted that our strategy, launched in 2012, is beginning to generate results in the form of higher market shares. Accordingly, we continued to strengthen our sales organisation during the quarter.

The order intake for the quarter exceeded net sales, which is a good sign for the beginning of the second quarter.

Our gross margin improved compared with the same period last year. This is the result of our efforts in our strategic initiative to improve efficiency,

which have led to both reduced purchase prices and lower costs in our supply chain.

Our operating expenses increased compared with both the same period last year and the preceding quarter. The increase was mainly due to our investment in the sales organisation in the Segment International, where we also noted sales growth of 15.7 percent.

All in all, the adjusted operating margin for the Group in the quarter rose from 8.2 percent to 9.4 percent.

On 21 February, the Bufab share was listed for trading on NASDAQ OMX Stockholm. The listing was preceded by a diversification of Bufab ownership base by our principal owner Nordic Capital Fund V. Apart from giving Bufab access to the capital markets, the listing will also significantly increase knowledge about Bufab and its operations, and be a quality stamp.

Jörgen Rosengren, President and CEO



ABOUT BUFAB

Bufab Holding AB (publ), Corporate Registration Number 556685-6240, is a trading company that offers its customers a full-service solution as Supply Chain Partner for sourcing, quality control and logistics for C-Parts (screws, nuts, etc.). Bufab's Global Parts Productivity™ customer offering aims to improve productivity in customers' value chain for C-Parts.

Bufab was founded in 1977 in Småland and is an international company with operations in 23 countries. The head office is located in Värnamo, Sweden and Bufab has about 800 employees. Bufab's sales for 2013 amounted to SEK 2,031 million and operating profit was SEK 201 million. The Bufab share is listed on NASDAQ OMX Stockholm, under the ticker "BUFAB."

The Group in brief

FIRST QUARTER

ORDER INTAKE AND NET SALES

The order intake amounted to SEK 563 (520) million, up 8.3 percent compared with the same period previous year.

The Group's net sales amounted to SEK 552 (495) million, an increase of 11.5 percent compared with the same period previous year. Adjusted for currency effects, net sales rose 10.5 percent. Stronger economic conditions and higher market shares resulting from strategic initiatives led to an increase of 15.7 percent in the Segment International, and of 6.8 percent in the Segment Sweden.

EARNINGS AND PROFITABILITY

The Group's operating profit amounted to SEK 33 million (41). As anticipated in the year-end report, operating profit was charged with non-recurring costs totalling SEK 18 million for the listing of the Bufab share on NASDAQ OMX Stockholm. All costs connected with the listing have now been charged against profit. Adjusted for non-recurring items, operating profit amounted to SEK 52 million (41), corresponding to an adjusted operating margin of 9.4 percent (8.2). Earnings were positively impacted by the higher net sales, as well as savings in purchasing and logistics, and negatively by costs for the relocation of the warehouse and office in Finland and higher costs for the sales organisation.

The Group's net financial items amounted to SEK -8 million (-11). Net financial items were positively impacted mainly by lower costs for exchange-rate differences and reduced net debt.

The Group's profit after financial items amounted to SEK 25 million (30).

Tax expense for the period was SEK 8 million (7), corresponding to a tax rate of 31 percent (25).

Operating profit amounted to SEK 17 million (23), corresponding to SEK 0.45 per share (0.59).

CASH FLOW, WORKING CAPITAL AND FINANCIAL POSITION

SEK million	Quarter 1	
	2014	2013
EBITDA	42	49
Other non-cash items	0	-1
Changes in working capital	-27	23
Cash flow from operations	15	71
Investments	-6	-2
Operating cash flow	9	69

Operating cash flow amounted to SEK 9 million (69). The lower operating cash flow during the period was mainly due to higher working capital, primarily accounts receivable resulting from higher sales volumes.

In connection with the listing in February, a new three-year financing contract came into effect. In addition, the company's preferential shares were converted to common shares. The conversion was implemented through the redemption of the preference shares, whereby a debt was incurred for the owner of the preferential shares. This debt was then offset against newly issued common shares in a set-off issue. The set-off issue was implemented at a price of SEK 46.00, corresponding to the offer price for the ownership diversification. Following these transactions, the company's share capital amounted to SEK 547,189 and the total number of common shares in the company was 38,110,533.

Segment Sweden

FIRST QUARTER

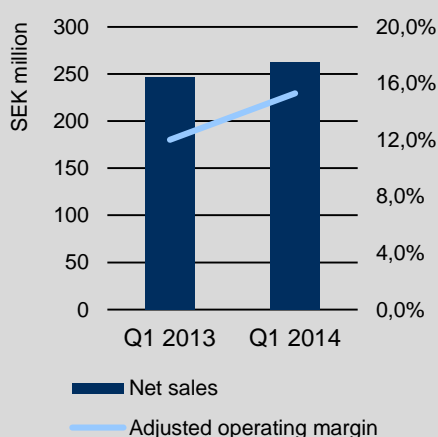
Net sales rose by 6.8 percent to SEK 263 million (246). The increase was due to stronger economic conditions and to our strategic growth initiatives. To a certain extent, the increase was offset by our customers' relocation of production from Sweden, and by reduced sales to the automotive industry. The order intake exceeded net sales.

Operating profit amounted to SEK 40 million (30), corresponding to an operating margin of 15.3 percent (12.0). The margin was positively impacted by higher sales, better capacity utilisation and savings within purchasing and logistics, but negatively by certain price reductions to major customers.

SEK million	Quarter 1		Change	Rolling 12 months	Full year	Change
	2014	2013	%	2013/14	2013	%
Order intake*	268	263	1.8	1,003	998	0.5
Net sales*	263	246	6.8	987	970	1.7
Operating profit	40	30	36.3	155	145	6.9
Operating margin, %	15.3	12,0		15.7	14.9	
Adjusted operating profit	40	30	36.3	153	143	7.0
Adjusted operating margin, %	15.3	12,0		15.5	14.8	

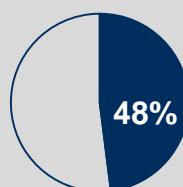
*Pertains to net sales and order intake from external customers.

THE QUARTER IN BRIEF



NET SALES
SEK **263 m**

SHARE OF TOTAL SALES



SALES GROWTH
+6.8%

OPERATING PROFIT
SEK **40 m**

ADJUSTED OPERATING PROFIT
SEK **40 m**

OPERATING MARGIN
15.3%

ADJUSTED OPERATING MARGIN
15.3%

Segment International

FIRST QUARTER

Net sales rose by 15.7 percent to SEK 289 million (250). Adjusted for currency effects, the increase in net sales was 13.6 percent. The increase was due to stronger economic conditions and to our strategic growth initiatives. The order intake exceeded net sales.

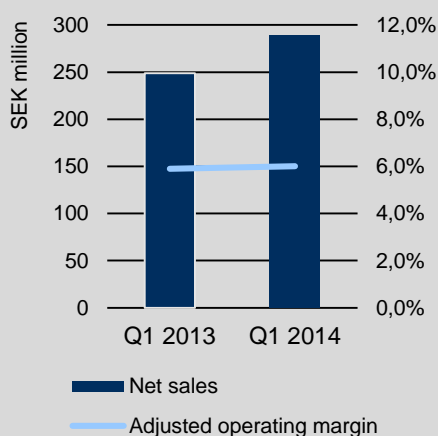
Operating profit for the period was SEK 17 million (15), corresponding to an operating margin of 6.0

percent (6.0). The margin was positively impacted by higher net sales, as well as savings in purchasing, but negatively by higher costs for our investment in the sales organization within the segment. Operating profit was also charged with costs for the relocation of our warehouse and office in Finland, which has now been completed.

SEK million	Quarter 1		Change	Rolling 12 months	Full year	Change
	2014	2013	%	2013/14	2013	%
Order intake*	295	257	14.9	1,112	1,074	3.5
Net sales*	289	250	15.7	1,100	1,061	3.7
Operating profit	17	15	12.6	86	84	2.4
Operating margin, %	6.0	6.0		7.9	7.9	
Adjusted operating profit	17	15	12.6	85	83	2.4
Adjusted operating margin, %	6.0	6.0		7.8	7.8	

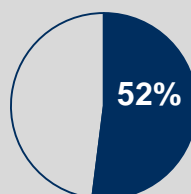
*Pertains to net sales and order intake from external customers.

THE QUARTER IN BRIEF



NET SALES
SEK **289** million

SHARE OF TOTAL SALES



SALES GROWTH
+15.7%

OPERATING PROFIT
SEK **17** million

ADJUSTED OPERATING PROFIT
SEK **17** million

OPERATING MARGIN
6.0%

ADJUSTED OPERATING MARGIN
6.0%

Consolidated Income Statement

SEK million	Quarter 1	
	2014	2013
Net sales	552	495
Cost of goods sold	-390	-353
Gross profit	162	142
Sales expenses	-82	-70
Administrative expenses	-48	-29
Other operating income	5	5
Other operating expenses	-4	-7
Operating profit Note 1	33	41
<i>Profit from financial items</i>		
Interest income and similar income items	0	0
Interest expense and similar expense items	-8	-11
Profit after financial items	25	30
Tax on profit for the period	-8	-7
Profit after tax	17	23

Statement of Comprehensive Income

SEK million	Quarter 1	
	2014	2013
Profit after tax	17	23
Other comprehensive income		
Items that cannot be reclassified to profit or loss		
Actuarial gains and losses, net of tax	-	-
Items that may later be reclassified to profit or loss		
Translation differences	2	-12
Other comprehensive income, net of tax	2	-12
Total comprehensive income	19	11
Total comprehensive income attributable to:		
Parent Company shareholders	19	11

EARNINGS PER SHARE, SEK

SEK	Quarter 1	
	2014	2013
Earnings per common share, SEK	0.45	0.59
Weighted number of common shares outstanding, thousands	38,110.5	38,110.5
Earnings per common share after dilution, SEK	0.45	0.59
Weighted number of common shares outstanding after dilution, thousands	38,110.5	38,110.5

NOTE 1: NON-RECURRING ITEMS IN THE PERIOD

SEK million	Quarter 1	
	2014	2013
<i>Total non-recurring items with effect on gross profit</i>	-	-
Listing costs, NASDAQ OMX*	-18	-
<i>Total non-recurring items with effect on operating expenses</i>	-18	0
Total non-recurring items with effect on operating profit	-18	0

*Recognised as administrative expenses

Consolidated Balance Sheet

SEK million	31 Mar 14	31 Mar 13	31 Dec 13
ASSETS			
<i>Non-current assets</i>			
Intangible assets	742	739	739
Property, plant and equipment	140	138	145
Financial assets	25	25	25
Total non-current assets	907	902	909
<i>Current assets</i>			
Inventories	635	556	626
Current receivables	502	457	440
Cash and cash equivalents	76	80	98
Total current assets	1,213	1,093	1,164
Total assets	2,120	1,995	2,073
EQUITY AND LIABILITIES			
Equity	1,031	887	1,012
<i>Non-current liabilities</i>			
Non-current liabilities, interest-bearing	598	542	479
Non-current liabilities, non-interest-bearing	29	26	29
Total non-current liabilities	627	568	508
<i>Current liabilities</i>			
Current liabilities, interest-bearing	100	221	227
Current liabilities, non-interest-bearing	362	319	326
Total current liabilities	462	540	553
Total shareholders' equity and liabilities	2,120	1,995	2,073

Consolidated Statement of Changes in Equity

SEK million	31 Mar	
	2014	2013
Equity at beginning of year	1,012	876
Comprehensive income		
Profit after tax	17	23
Other comprehensive income		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified to profit or loss		
Exchange-rate differences	2	-12
Total comprehensive income	19	11
Transactions with shareholders	-	-
Total transactions with shareholders	0	0
Equity at end of period	1,031	887

SHARE CAPITAL DEVELOPMENT

	No. of shares			Share capital, SEK 000s	
	Common shares	Preference shares	Total		
31 Dec, 2013	335,299	100,000	435,299		218
Rights issue	-	-	-	282	500
Share split	26,488,621	7,900,000	34,388,621	-	500
Exercise of warrants	88,000		88,000	1	501
Redemption of preference shares		-8,000,000	-8,000,000	-115	386
Offset issue	11,198,613		11,198,613	161	547
31 March, 2014	38,110,533	0	38,110,533		547

Consolidated Cash Flow Statement

SEK million	Quarter 1	
	2014	2013
<i>Operating activities</i>		
Profit before financial items	34	41
Depreciation/amortisation and impairment	8	8
Interest paid and other financial expenses	-7	-7
Other non-cash items	0	-1
Income tax paid	-15	-25
Cash flow from operating activities before changes in working capital	20	16
<i>Changes in working capital</i>		
Increase (-)/decrease (+) in inventories	-9	21
Increase (-)/decrease (+) in operating receivables	-61	-15
Increase (+)/decrease (-) in operating liabilities	43	17
Cash flow from operating activities	-7	39
<i>Investing activities</i>		
Acquisition of property, plant and equipment	-4	-2
Acquisition of intangible assets	-2	-
Cash flow from investing activities	-6	-2
<i>Financing activities</i>		
Amortisation of loans	-9	-43
Cash flow from financing activities	-9	-43
Cash flow for the period	-22	-6
Cash and cash equivalents at beginning of period	98	88
Exchange-rate differences	-	-2
Cash and cash equivalents at end of period	76	80

The Group's Segment Reporting

Sweden	2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	246	263	218	243	263			
Operating profit	30	42	33	40	40			
Operating margin, %	12.0	16.1	15.0	16.7	15.3			
Adjusted operating profit	30	42	31	40	40			
Adjusted operating margin, %	12.0	16.1	14.3	16.7	15.3			

International	2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	250	271	272	269	289			
Operating profit	15	23	27	20	17			
Operating margin, %	6.0	8.5	9.8	7.3	6.0			
Adjusted operating profit	15	23	27	19	17			
Adjusted operating margin, %	6.0	8.5	9.8	7.0	6.0			

Other	2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	-	-	-	-	-			
Operating loss	-4	-8	-8	-8	-23			
Operating margin, %	-	-	-	-	-			
Adjusted operating loss	-4	-8	-8	-4	-5			
Adjusted operating margin, %	-	-	-	-	-			

Group	2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	495	534	490	512	552			
Operating profit	41	58	51	52	33			
Operating margin, %	8.2	10.8	10.4	10.2	6.0			
Adjusted operating profit	41	58	49	55	52			
Adjusted operating margin, %	8.2	10.8	10.1	10.8	9.4			

Consolidated key figures

	<i>Quarter 1</i>		<i>Change</i>
	2014	2013	%
Order intake, SEK million	563	520	8.3
Net sales, SEK million	552	495	11.5
Gross profit, SEK	162	142	14.4
Adjusted EBITDA, SEK million	60	49	23.6
Operating profit, SEK million	33	41	-18.0
Adjusted operating profit, SEK million	52	41	27.3
Profit after tax, SEK million	17	23	-24.8
Gross margin, %	29.5	28.7	
Operating margin, %	6.0	8.2	
Adjusted operating margin, %	9.4	8.2	
Net margin, %	3.1	4.6	
Net debt, SEK million	622	683	-8.9
Debt/equity ratio, %	60	77	
Net debt/adjusted EBITDA	2.5	4.3	
Working capital, SEK million	775	694	
Working capital/net sales, %	35.5	36.5	
Equity/assets ratio, %	49	44	
Operating cash flow, SEK million	9	69	
Earnings per share, SEK	0.45	0.59	

For definitions, see page 16.

Parent Company Income Statement

SEK million	Quarter 1	
	2014	2013
Administrative expenses*	-19	-1
Operating loss	-19	-1
<i>Profit/loss from financial items</i>		
Interest expense and similar expense items	-	-
Loss after financial items	-19	-1
Appropriations	-	-
Tax on profit for the period	3	-
Loss after tax	-16	-1
Other comprehensive income	-	-
Total comprehensive income	-16	-1

*Including listing costs totalling SEK 18 million for the first quarter of 2014

Parent Company Balance Sheet

SEK million	31 Mar 14	31 Mar 13
ASSETS		
<i>Non-current assets</i>		
Financial assets		
Investments in Group companies	845	845
Total non-current assets	845	845
<i>Current assets</i>		
Receivables from Group companies	342	226
Other current receivables	13	9
Cash and cash equivalents	1	1
Total current assets	356	236
Total assets	1,201	1,081
EQUITY AND LIABILITIES		
Equity	869	819
Untaxed reserves	58	31
<i>Non-current interest-bearing liabilities</i>		
Other non-current liabilities	-	-
Total non-current liabilities	0	0
<i>Current non-interest-bearing liabilities</i>		
Liabilities to Group companies	261	228
Other current liabilities	13	3
Total current liabilities	274	231
Total shareholders' equity and liabilities	1,201	1,081

Other information

ACCOUNTING POLICIES

This interim report has been prepared pursuant to IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company's accounts were prepared in accordance with the Swedish Annual Accounts Act, Chapter 9 and the Swedish Financial Reporting Board's recommendation RFR 2.

The accounting policies applied correspond to the accounting policies and measurement principles presented in the 2013 Annual Report. The 2013 Annual Report is available at www.bufab.com.

RISKS AND RISK MANAGEMENT

Exposure to risk is a natural part of business activity and this is reflected in Bufab's approach to risk management. The aim is to identify and prevent risks and to limit any loss or damage from these risks. The main risks to which the Group is exposed are related to the impact of the economy on demand. For further information, see Note 3 of the 2013 Annual Report.

SEASONAL VARIATIONS

Bufab has no essential seasonal variation but sales throughout the year vary depending on the number of customers' production days in each quarter. Sales and operating profit are normally lowest in the third quarter.

RELATED-PARTY TRANSACTIONS

During the period, the redemption of preference shares, as well as the offset issue, were implemented and one Board member utilised his/her warrants (see page 9). There were no other related-party transactions during the period.

EMPLOYEES

The number of employees in the Group on the final day of the period was 801 (766).

CONTINGENT LIABILITIES

There were no significant changes in contingent liabilities during the period.

LISTING

On 21 February, Bufab was listed on NASDAQ OMX Stockholm, when Bufab and principal owner Capital Fund V decided to implement a diversification of Bufab's ownership base. The listing has provided Bufab with access to Swedish and international capital markets, which is expected to promote the company's continued growth and development. The listing is a logical and key step in Bufab's development and will contribute to increasing knowledge about Bufab and its operations.

2014 ANNUAL GENERAL MEETING

The Annual General Meeting of Bufab Holding AB (publ) will be held on 5 May 2014 in Värnamo.

The Board of Directors proposes that no dividend be paid for the 2013 financial year.

The notice convening the AGM and complete proposals are available at www.bufab.com.

AUDIT REVIEW REPORT

This interim report has not been formerly examined by the company's auditors.

FINANCIAL REPORTING DATES

ANNUAL GENERAL MEETING

5 May 2014 in Värnamo

Interim Report January–June

13 August 2014

Interim Report January–September

4 November 2014

Year-end report January – December

20 February 2015

Stockholm, 29 April 2014

Jörgen Rosengren
President and CEO

DEFINITION OF KEY FIGURES

Gross margin, %

Gross profit as a percentage of net sales during the period

Adjusted gross profit

Gross profit adjusted for non-recurring items

Adjusted gross margin, %

Adjusted gross profit as a percentage of net sales during the period

EBITDA

Operating profit before depreciation, amortisation and impairment

Adjusted EBITDA

Adjusted operating profit before depreciation, amortisation and impairment

Operating margin, %

Operating profit as a percentage of net sales during the period

Adjusted operating profit

Operating profit adjusted for non-recurring items

Adjusted operating margin, %

Adjusted operating profit as a percentage of net sales during the period

Net debt

Interest-bearing liabilities less interest-bearing assets, calculated at the end of the period

Debt/equity ratio, %

Net debt divided by equity, calculated at the end of the period

Net debt/Adjusted EBITDA, %

Net debt at the end of the period as a percentage of adjusted EBITDA in the last twelve months

Working capital

Total current assets less cash and cash equivalents less current non-interest-bearing liabilities, calculated at the end of the period

Working capital/net sales, %

Average working capital (calculated as the average of the past four quarters) as a percentage of net sales in the last twelve months

Equity/assets ratio, %

Equity as a percentage of total assets, calculated at the end of the period

Operating cash flow

Operating profit adjusted for depreciation/amortisation, impairment and other non-cash items less changes in working capital and investments

Earnings per share

Profit for the period dividend by the average number of common shares adjusted for the 80:1 share split conducted on 17 January 2014

CONFERENCE CALL

A conference call will be held on April 29th 2014 at 10.00 CET. Jörgen Rosengren, President & CEO and Thomas Ekström, CFO will present the result. The call will be held in English.

In order to participate, please use one of the following numbers; +44 (0) 1452 555566, UK 08444933800, Luxembourg 20880695, Sweden 0850336434 or US 16315107498. Conference code; 29695977.

Please dial in 5-10 minutes ahead in order to register.

This information is in accordance with the Swedish Securities Market Act, the Swedish Financial Instruments Trading Act and/or the regulations of NASDAQ OMX Stockholm. The information was submitted for publication at April 29, 2014 at 08.00.



CONTACT

Jörgen Rosengren
CEO
+46 370 69 69 01
jorgen.rosengren@bufab.com

Thomas Ekström
CFO
+46 370 69 94 01
thomas.ekstrom@bufab.com

Boel Sundvall
Communications & IR
+46 370 69 69 61
boel.sundvall@bufab.com